TRAVEL, MEAL, AND LODGING POLICY

City Council Policy #CC-24-002
Adopted September 24, 2024
Resolution No. 6934

CITY OF
MENLO PARK

Findings

The City of Menlo Park takes its stewardship over the use of its limited public resources seriously and public resources should only be used when there is a substantial benefit to the City.

Such benefits include the opportunity to discuss the community's concerns with regional, state and federal officials, as well as participating in regional, state and national organizations whose activities affect the City. Additionally, attending educational seminars designed to improve an official's skill and knowledge and promoting public service and morale by recognizing such service.

Legislative and other regional, state and federal agency business is frequently conducted over meals, which can provide opportunity for a more extensive, focused and uninterrupted communication about the City's policy concerns.

In the conduct of official city business, officials will be reimbursed actual meal and beverage expenses not to exceed the federal government per diem for Menlo Park, before tax and gratuities. Tax and gratuities will also be reimbursed. It is important to note that each meal expenditure must comply with the limits and reporting requirements of local, state and federal law. City officials should keep in mind that some expenditures may be subject to reporting under the Political Reform Act and other laws. All agency expenditures are public records subject to disclosure under the Public Records Act.

This policy provides guidance to City officials on the use and expenditure of City resources, as well as the standards against which those expenditures will be measured and satisfies the requirements of Government Code §§53232.2 and 53233.3.

This policy supplements the definition of actual and necessary expenses for purposes of state laws relating to permissible uses of public resources and the definition of necessary and reasonable expenses for purposes of federal and state income tax laws.

This policy also applies to any charges made to a City credit card, cash advances or other line of credit.

Applicability and definitions

This policy shall apply to all City officials.

City officials. City officials shall mean the City Council and/or commissions, committees and boards with decision making or advisory authority.

Authorized expenses

City funds, equipment, titles, and staff time must only be used for authorized City business. Expenses incurred in connection with the following types of activities generally constitute authorized expenses, as long as the other requirements of this policy are met:

- Communicating with representatives of regional, state and federal government on City adopted policy positions;
- Attending educational seminars designed to improve an official's skill and information levels;
- Participating in regional, state and national organizations whose activities affect the City's interests;
- Recognizing service to the City;
- Attending City events;
- Implementing a City Council approved strategy for attracting or retaining businesses to the City, which will typically involve at least one staff member.

All other expenditures require prior approval by the City Council for officials. The following expenses also require prior City Council approval:

- International travel;
- Expenses exceeding $3,000 per trip.

Examples of organizations that host seminars, conferences, and meetings applicable to City operations and eligible for reimbursement under this policy include, but are not limited to:

- Association of Bay Area Governments (ABAG)
- California Debt and Investment Advisory Commission (CDIAC)
- California Public Employees' Retirement System (CalPERS)
- City/County Associations of Governments of San Mateo County (C/CAG)
- Joint Venture Silicon Valley
- League of California Cities
- National League of Cities (NLC)
- San Mateo County Council of Cities
- San Mateo County Economic Development Association (SAMCEDA)
- Chamber San Mateo County
- San Mateo County Transportation Authority (SCMTA)
- Santa Clara County Cities Association
- Silicon Valley Economic Development Alliance
- Sister Cities International

Examples of personal expenses that the City will not reimburse include, but are not limited to:

- The personal portion of any trip;
- Political or charitable contributions or events;
- Family or guest expenses, including partner's expenses when accompanying a City official on agency-related business, as well as children- or pet-related expenses;
- Entertainment expenses, including theater, movies (either in-room or at the theater), sporting events (including gym, massage and/or golf related expenses), or other cultural events;
- Non-mileage personal automobile expenses, including repairs, traffic citations, insurance or gasoline; and
- Personal losses incurred while on City business.

Any questions regarding the propriety of a particular type of expense should be resolved by the approving authority before the expense is incurred.

<u>Sister City and foreign travel</u>
For sister or friendship city travel, any city official reimbursement requires pre-approval of the City Council. If a City Councilmember is paying for their own sister or friendship city travel, City Council travel approval is not required, but the traveling City Councilmember should inform the City Council in advance of travel.

If undertaking such travel, whether reimbursed by the City or as a personal expense, individual City Councilmembers shall not have authority to sign city-related official documents individually or on behalf of the City Council unless the document has been pre-approved by the City Council. Any foreign document submitted for signature must be translated into English.

<u>Travel paid for by third parties</u>
City official travel paid by third parties requires a Fair Political Practices letter pre-authorizing travel where it is unclear whether an exception to the gift or income restrictions applies.

Third parties offering travel to City officials shall be requested to provide the schedule of public appearances and shall be informed that individual city officials do not have the authority to sign official City documents unless the City Council pre-approves.

Transportation
The most economical mode and class of transportation reasonably consistent with scheduling needs and cargo space requirements must be used, using the most direct and time-efficient route. Government and group rates must be used when available. Airfare. To identify the lowest airfare, City officials should use an online travel search engine that compares flights across major airlines. Baggage handling fees for one checked bag shall be reimbursed. Automobile. Mileage driving using an official's personal vehicle to conduct City business shall be reimbursed at Internal Revenue Service (IRS) rates in effect on the date of travel for all miles driven in the conduct of official business in excess of the official's regular commute. The IRS rates are designed to compensate the driver for gasoline, insurance, maintenance, and other expenses associated with operating the vehicle. This amount does not include bridge and road tolls, which are also reimbursable. Car rental. Charges for rental vehicles may be reimbursed under this provision if the City official is attending an out of town conference, and it is determined that renting a vehicle is more economical than other forms of transportation. In making such determination, the cost of the rental vehicle, parking and gasoline will be compared to the combined cost of such other forms of transportation. Ride share/taxis/shuttles. Ride share, taxis or shuttles fares may be reimbursed when the cost of such fares is equal or less than the cost of car rentals, gasoline and parking combined, or when such transportation is necessary for time efficiency. Airport parking. When applicable, long-term or economy parking lots must be used for travel exceeding 24-hours.
Lodging
Lodging expenses will be reimbursed or paid for when travel on official City business reasonably requires an overnight stay. Government and group rates must be used when available. Conferences/meetings. If lodging is in connection with a conference, lodging expenses must not exceed the group rate published by the conference sponsor for the meeting in question if such rates are available at the time of booking. If group rates are not available at time of booking, the City official shall secure the most economical lodging in close proximity of the conference/meeting venue. Other lodging. Lodging rates that are equal to or less than government rates or the IRS per diem rates for the applicable area are presumed to be reasonable and hence reimbursable for purposes of this policy. A City official may stay with a friend or relative while attending an out-of-town meeting or conference; however, the City will not reimburse for any payment to the friend or relative for lodging, meals or transportation.
Other expenses
Internet. City officials will be reimbursed for internet access connection and/or usage fees away from home, not to exceed $15.00 per day, if internet access is necessary for official business. Telecommunication expenses. City officials will be reimbursed for actual telecommunication expenses incurred on City business. No reimbursement is made for use of personal cell phones. Gratuities. Gratuities of up to 15% will be reimbursed for services customarily subject to gratuity. Reimbursement from other entities. Expenses for which City officials receive reimbursement from another agency are not reimbursable.

Cash advances

From time to time, it may be necessary for a City official to request a cash advance to cover anticipated expenses while traveling or doing business on the City's behalf. Such request for an advance should be submitted to the administrative services director five business days before the need for the advance with the following information:

- The purpose of the expenditure(s);
- The benefits of such expenditure(s) to the residents of Menlo Park;
- The anticipated amount of the expenditure(s) (for example, hotel rates, meal costs and transportation expenses); and
- The dates of the expenditure(s).

After the need for the advance has occurred, the City official must submit receipts demonstrating how the cash advances were used to the administrative services director. Any unused advance must be returned to the City treasury within two business days of the City official's return, along with an expense report and receipts documenting how the advance was used in compliance with this expense policy.

Credit card use

The City does not issue credit cards to individual office holders but does have an agency credit card for selected City expenses. City officials may use the City's credit card for such purposes as airline tickets and hotel reservations by following the same procedures for cash advances. Receipts documenting expenses incurred on the City credit card and compliance with this policy must be submitted within five business days of use.

City credit cards may not be used for personal expenses, even if the City official subsequently reimburses the City.

Expense report content and submission deadline

All cash advance expenditures, credit card expenses and expense reimbursement requests must be submitted on an expense report form provided by the City. All expenses reported on the form must comply with the City's policies relating to expenses and use of public resources. The information submitted on the form is a public record. Penalties for misusing public resources and violating the City's policies include loss of reimbursement privileges, restitution, civil and criminal penalties as well as additional income tax liability.

Expense reports must document that the expense in question met the requirements of this policy. For example, if the meeting is with a legislator, the City official should explain whose meals were purchased, what issues were discussed and how those relate to the City's adopted legislative positions and priorities.

City officials must submit their expense reports within 30 days of an expense being incurred, accompanied by receipts documenting each expense. Detailed restaurant receipts for official business meetings, in addition to any credit card receipts, are also part of the necessary documentation.

Inability to provide such documentation in a timely fashion may result in the expense being borne by the City official.

Authorization for travel and other related expenses

Attendance of City officials at conferences, seminars and meetings shall be subject to prior approval by the City Council, which occurs during the adoption of the annual budget. For out-of-state travel, the prior approval of a majority of the City Council obtained during a public meeting is required.

Special rules for City Councilmembers

City Councilmembers will comply with the communications policy in Chapter 4 of the procedures manual when traveling for City business.

At the first City Council meeting following any meeting/conference for which a City official seeks City reimbursement, the official shall briefly report on the meeting/conference. No reimbursement shall be provided until the report is given to the City Council.

If multiple City officials attended, a joint report may be made. The report may be made verbally or in writing.

Violation of this policy

Under state law, use of public resources or falsifying expense reports in violation of this policy may result in any or all of the following:

- Loss of reimbursement privileges,
- A demand for restitution to the City,
- The agency's reporting the expenses as income to the City official to state and federal tax authorities,
- Civil penalties of up to $1,000 per day and three times the value of the resources used, and
- Prosecution for misuse of public resources.

Enforcement and cost control

All expenses are subject to audit and verification that they comply with this policy.

The administrative services director is responsible for enforcing this policy. In the event the administrative services director is uncertain as to whether a request complies with this policy, such individual must seek resolution from the requester's approving authority.

To conserve City resources and keep expenses within community standards for public officials, expenditures should adhere to this policy. In the event that expenses are incurred which exceed this policy, the cost borne or reimbursed by the City will be limited to the costs that fall within this policy.

Policy history

Action	**Date**	**Notes**
Policy adoption	3/12/1991	By motion
Policy adoption	9/11/2018	Resolution No. 6460
Policy adoption	3/12/2019	Resolution No. 6485
Policy adoption	9/24/2024	Resolution No. 6934